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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
CARTIER, a division of RICHEMONT
NORTH AMERICA, INC.; and
CARTIER INTERNATIONAL, B.V.,

Plaintiffs,

v.

JACOB THE JEWELER, INC.; JACOB &
COMPANY WATCHES, INC.; and
JACOB ARABOV a/k/a JACOB ARABO,

Defendants.
-----X

Civil Action No. 04 CV 09138 (LTS)

USDC SDNY DOCUMENT ELECTRONICALLY FILED DOC #: DATE FILED: 03/16/05

**FINAL JUDGMENT ON CONSENT AS TO CERTAIN DEFENDANTS
AND DISMISSAL AS TO OTHER DEFENDANTS**

Plaintiffs Cartier, a division of Richemont North America, Inc., and Cartier International, B.V. (collectively "Plaintiffs") having filed a Complaint against Jacob The Jeweler, Inc. ("Jacob the Jeweler"), Jacob & Company Watches, Inc. ("Jacob & Co.") and Jacob Arabov a/ka/ Jacob Arabo ("Arabov") (collectively the "Defendants"), charging Defendants with trademark infringement, false designation of source origin, unfair competition, and dilution through the sale of altered Cartier brand watches; and the parties desiring to settle the controversy between them without any admission of liability and having entered into a Settlement Agreement for that purpose; and for good cause shown; it is hereby

ORDERED, ADJUDGED AND DECREED as between the parties hereto that:

1. This Court has jurisdiction over the parties and over the subject matter hereof pursuant to 28 U.S.C. §§ 1331 and 1338.

2. Definitions.

A. "Cartier Trademark" shall mean the word mark CARTIER.

B. "Cartier Registration" shall mean U.S. Trademark Registration No.

759,201 of October 29, 1963, for the word mark CARTIER for watches and clocks.

3. Plaintiff Cartier International, B.V. is the owner of the Cartier Trademark and the Cartier Registration. The Cartier Registration is valid and subsisting, is in full force and effect and has become incontestable and the trademark thereof and the goodwill of Plaintiff Cartier International, B.V. in connection with which this trademark is used are valid and have never been abandoned.

4. Defendant Jacob the Jeweler and Arabov are permanently enjoined and restrained, directly or indirectly:

- (a) From using in any manner the Cartier Trademark in connection with the sale, offer for sale, advertisement or distribution of watches that have in any way been altered by any person not authorized by Plaintiffs, including, without limitation, by addition of diamonds thereon;
- (b) From representing, suggesting in any fashion to any third party, or performing any act which may give rise to the belief that Defendants, or any of their goods that have been altered, are authorized or sponsored by Plaintiffs or any one of them;

- (c) From passing off, inducing or enabling others to sell or pass off any goods as products produced by Plaintiffs which are not in fact genuine Cartier goods or not produced under the control and supervision of Plaintiffs and approved by Plaintiffs; and
- (d) From infringing upon the Cartier Trademark; and
- (e) From otherwise competing unfairly with Plaintiffs in any manner.

5. The Parties having agreed upon a financial settlement between them, there shall be no other award for damages, profits, costs, disbursements or attorney's fees made herein, and, other than this award, all parties are to bear their own costs and attorney's fees.

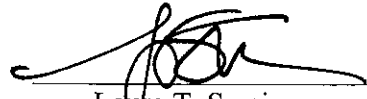
6. The parties have agreed that Defendants shall place certain advertising in certain publications regarding this lawsuit. Defendants are directed to perform that portion of the Settlement Agreement consistent with the terms thereof.

7. Plaintiffs' claims against Defendant Jacob & Co. are hereby dismissed with prejudice.

8. The exclusive jurisdiction of this Court is retained for the purpose of making any further orders necessary or proper for the construction or modification of this Final Judgment on Consent as to Certain Defendants and Dismissal as to Other Defendants, the enforcement thereof and the punishment of any violations thereof, and the enforcement of any provisions of the Settlement Agreement entered into between the parties. Any motion or proceedings under this Paragraph 8 shall be venued in the United States District Court for the Southern District of New York, and the parties consent to this Court's venue and personal jurisdiction for any such motion or proceeding under this Paragraph 8.

9. This Judgment shall be deemed to have been served upon Defendants at the time of its execution by the Court.

Dated: ~~February~~ ^{March} 16, 2005



Laura T. Swain,
United States District Judge

CONSENT AND STIPULATION

The undersigned hereby consent and stipulate to the entry of a Final Judgment on Consent as to Certain Defendants and Dismissal as to Other Defendants in the form annexed hereto or in such other form as the Court may approve.

CARTIER, a division of RICHEMONT NORTH AMERICA, INC.

Dated: February 25, 2005

By: 

Name: Sde Qvejiri

Title: President & COO

CARTIER INTERNATIONAL, B.V.

Dated: February ___, 2005

By: _____

Name: _____

Title: _____

JACOB THE JEWELER, INC.

Dated: February 14, 2005

By: 

Name: JACOB ARABOV

Title: PRES

JACOB & COMPANY WATCHES, INC.

Dated: February 14, 2005

By: 

Name: JACOB ARABOV

Title: PRES.

JACOB ARABOV a/k/a JACOB ARABO

Dated: February 14, 2005

By: 

CONSENT AND STIPULATION

The undersigned hereby consent and stipulate to the entry of a Final Judgment on Consent as to Certain Defendants and Dismissal as to Other Defendants in the form annexed hereto or in such other form as the Court may approve.

CARTIER, a division of RICHEMONT NORTH AMERICA, INC.

Dated: March ____, 2005

By: _____
Name: _____
Title: _____

CARTIER INTERNATIONAL, B.V.

Dated: March ____, 2005

By: _____
Name: Albert Kaufmann
Title: Director

JACOB THE JEWELER, INC.

Dated: March ____, 2005

By: _____
Name: _____
Title: _____

JACOB & COMPANY WATCHES, INC.

Dated: March ____, 2005

By: _____
Name: _____
Title: _____

JACOB ARABOV a/ka/ JACOB ARABO

Dated: March ____, 2005

By: _____

Approved as to form:

KALOW & SPRINGUT LLP
Attorneys for Plaintiffs

488 Madison Avenue
New York, New York 10022
(212) 813-1600

March 10
Dated: ~~February~~ March 10, 2005

By: *Milton Springut*
Milton Springut (MS6571)

GOTLIN AND JAFFE
Attorneys for Defendants

100 Lafayette Street – Suite 404
New York, New York 10013
(212) 966-5897

Dated: February 21, 2005

By: *Daniel J. Gotlin*
Daniel J. Gotlin, Esq. (DJG 5240)